

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

CHOICE HOTELS INTERNATIONAL, INC.,

a Delaware corporation,
10750 Columbia Pike
Silver Spring, Maryland 20901

Plaintiff,

v.

Case No.: _____

DKS, LLC,

an Alabama limited liability company,

SERVE: Walter A. Williams, Jr., Registered Agent
 517 Beacon Parkway W
 Birmingham, AL 35209

and

SANTOKH SINGH

6928 Saddle Horse Way
Citrus Heights, CA 95621

and

GURINDER DHILLON

812 Saucedo Court
Modesto, CA 95351

Defendants

COMPLAINT FOR CONFESSED JUDGMENT

Plaintiff Choice Hotels International, Inc. ("Choice"), by and through its attorney, Kristen K. Bugel, sues and confesses judgment against DKS, LLC, Santokh Singh and Gurinder Dhillon ("Defendants"), and as grounds for its action states as follows:

1. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §1332(a)(1), this being an action between citizens of different states and the amount in controversy being in excess of \$75,000.00, exclusive of interest and costs. The Court has jurisdiction over Defendants pursuant to 28 U.S.C. §1332(a)(1) and Ann. Code Md., C.J., §6-103(b)(1), Defendants having transacted business in Maryland with Choice. Venue is proper in the District of Maryland pursuant to 28 U.S.C. §1391(a).

2. Choice is incorporated in the State of Delaware and has its principal place of business at 10750 Columbia Pike, Silver Spring, Maryland 20901.

3. Upon information and belief, defendant DKS, LLC is a limited liability corporation organized pursuant to the laws of the State of Alabama and has its principal place of business at 517 Beacon Parkway W, Birmingham, AL 35209.

4. Upon information and belief, defendant Santokh Singh is a citizen of the State of California.

5. Upon information and belief, defendant Gurinder Dhillon is a citizen of the State of California.

6. On or about February 20, 2008, Choice and Defendants entered into a Settlement and Release Agreement in connection with monies owed to Choice by Defendants pursuant to a franchise agreement between the parties ("the Settlement Agreement"). A copy of the Settlement Agreement is attached as **Exhibit A**.

7. Concurrently therewith, Defendants executed a promissory note in the principal amount of \$238,134.35 as part of the Settlement Agreement ("the Promissory Note"). A copy of the Promissory Note is attached as **Exhibit B**.

8. Under the terms of the Promissory Note, if the agreed amount of \$45,000.00 was paid in accordance with the schedule set forth in the Settlement Agreement, then the Promissory Note would be marked "paid" and returned to Defendants.

9. Defendants made one payment to Choice totaling five thousand dollars (\$5,000.00), but to date they have failed to make the remaining payments due under the Settlement Agreement and Promissory Note.

10. Consequently, Defendants are in default under the Promissory Note.

11. Pursuant to the Promissory Note, in the event of a default, the principal amount of the Promissory Note would immediately be due and payable, along with interest on that amount at an annual rate of 10% from default until paid in full, plus an attorney's fee equal to 15% of the unpaid principal and interest.

12. The Promissory Note executed by Defendants provided that, in the event interest or principal were not paid when due, authority was given to an attorney-at-law to appear on behalf of Defendants in any court and waive the issuance and service of process. Further authority was given to confess a judgment against them in favor of Choice for such amount as may be unpaid, together with costs and attorneys' fees, and to further release all errors and waive all rights of appeal.

13. There remains due and owing to Choice on the Promissory Note the principal balance of two hundred thirty-three thousand, one hundred thirty-four dollars and thirty-five cents (\$233,134.35), plus interest at the rate of 10% per annum from May 15, 2008 through December 15, 2010 in the amount of sixty-one thousand, nine hundred twenty dollars and forty-eight cents (\$61,920.48), plus additional interest at the rate of 10% per annum from December

16, 2010 until paid, along with an attorney's fee, equal to 15% of the unpaid principal and interest, or forty-four thousand, two hundred fifty-eight dollars and twenty-two cents (\$44,258.22) for a total of three hundred thirty-nine thousand, three hundred thirteen dollars and five cents (\$339,313.05).

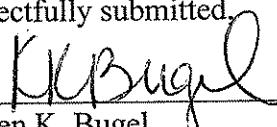
WHEREFORE, plaintiff Choice Hotels International, Inc. prays that the Court enter judgment in its favor and against defendants DKS, LLC, Santokh Singh and Gurinder Dhillon as follows:

A. For judgment by confession in the amount of two hundred thirty-three thousand, one hundred thirty-four dollars and thirty-five cents (\$233,134.35), along with interest at the rate of 10% per annum from May 30, 2008 through December 30, 2010 in the amount of sixty-one thousand, nine hundred twenty dollars and forty-eight cents (\$61,920.48), plus additional interest at the rate of 10% per annum from December 31, 2010 until paid, along with an attorney's fee in accordance with the Promissory Note in the amount of forty-four thousand, two hundred fifty-eight dollars and twenty-two cents (\$44,258.22); and

B. For the cost of this action in the amount of three hundred fifty dollars (\$350.00); and

C. All other relief deemed just and appropriate.

Respectfully submitted,


Kristen K. Bugel
10750 Columbia Pike, Fifth Floor
Silver Spring, MD 20901
(301) 592-5191

Attorney for Plaintiff
Choice Hotels International, Inc.